

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2137 - SB 2238

February 11, 2022

SUMMARY OF BILL: Authorizes qualified students to receive both the Wilder-Naifeh Technical Skills Grant (WNTSG) and the Tennessee Reconnect Grant (TRG) when attending an institution that provides an information technology industry recognized credential. Prohibits the total amount awarded from exceeding \$4,000 per student.

Requires the Tennessee Higher Education Commission (THEC) to evaluate outcomes associated during the first three years that qualified students receive both the WNTSG and the TRG for the sole purpose of attending an information technology credentialing institution and report the evaluated outcomes and findings to the Education Instruction Committee and the Education Administration Committee of the House of Representatives and the Education Committee of the Senate by January 15, 2026.

FISCAL IMPACT:

**Increase State Expenditures - \$1,584,000/FY22-23 and Subsequent Years/
Lottery for Education Account**

Other Fiscal Impact – Recurring funding in the amount of \$1,584,000 beginning in FY22-23 will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.

Assumptions:

- Award amounts for the TRG vary based on the amount of tuition and mandatory fees after the Tennessee Education Lottery Scholarship, Tennessee Student Assistance Award, and PELL grant have first been applied.
- The Tennessee Student Assistance Corporation (TSAC) has identified three eligible institutions: Tech901, Nashville Software School, and Code Crew.
- Currently students at these institutions are not eligible for WNTSG or TRG awards.
- A maximum annual total award of \$4,000 per student.
- Based on information provided by TSAC an estimated 396 students will receive the TRG and an estimated 396 students will receive the WNTSG in FY22-23. These numbers are assumed to remain constant in subsequent years.
- The average TRG amount is \$2,756 per student after all other gift aid is considered.
- The total TRG amount is estimated to be \$1,091,376 (396 students x \$2,756 grant).
- The average WNTSG award will be \$1,244 per student (\$4,000 - \$2,756).

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- The total WNTSG award amount is estimated to be \$492,624 (396 students x \$1,244 award).
- The recurring increase in state expenditures to the Lottery for Education Account is estimated to be \$1,584,000 (\$1,091,376 TRG + \$492,624 WNTSG) in FY22-23 and subsequent years.
- THEC can accomplish the reporting requirements within existing resources without a significant impact to state government.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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